



INSTITUTIONALLY RELATED FOUNDATIONS FOR NEW ENGLAND PUBLIC UNIVERSITIES

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INSTITUTIONALLY RELATED FOUNDATIONS

According to the Association of Governing Boards of Universities and Colleges, almost every public flagship university has at least one affiliated foundation. Foundations' roles and the structure of their relationships with their related institutions vary significantly. On behalf of their related universities, foundations typically solicit financial contributions, manage endowments, or both.

QUESTIONS

How does the relationship between UConn and the UConn foundation compare with other New England flagship public universities and their foundations?

Specifically:

1. are these foundations exempt from their respective states' Freedom of Information (FOI) laws,
2. are they the primary fundraising entities for their respective universities, and
3. how much money have they raised for their universities over the past five years?

Additionally, how much did in-state tuition and fees increase in the past five years at these universities?

SUMMARY

To answer these questions, OLR examined the foundations of the six New England flagship public universities:

1. UConn Foundation,
2. University of Maine (UMaine) Foundation,
3. University of Massachusetts (UMass) Amherst Foundation,

4. University of New Hampshire (UNH) Foundation,
5. University of Rhode Island (URI) Foundation, and
6. University of Vermont (UVM) Foundation.

Connecticut is the only New England state that explicitly exempts public university foundations from state FOI laws. The other New England states' FOI laws generally do not address university foundations specifically. Most of these foundations serve as their related institution's primary fundraising arm, with the UConn Foundation having the highest fundraising revenues of these foundations.

Concerning tuition, UConn had the (1) third-lowest in-state tuition and fee increase among these universities for the academic years 2008-09 through 2013-14 and (2) highest percentage increase from 2012-13 to 2013-14.

PUBLIC ACCESS TO FOUNDATION RECORDS

Connecticut law specifically exempts public university foundations from the state's FOI Act. The other New England states' FOI laws generally do not address university foundations specifically, but it is unclear whether the lack of a specific exemption makes the foundations subject to FOI laws. For example, the foundations may not meet the definition of a public agency for FOI purposes, or certain donor records may be covered by a general FOI exemption for personal privacy. We did not find any court cases in the other states that interpret their FOI laws with respect to university foundations.

Some states' laws address specific foundation records. For example, Massachusetts and Rhode Island specifically restrict public access to the identities of donors who wish to remain anonymous. Conversely, some states have laws that ensure public access to specific foundation records. Such records include annual financial reports (Massachusetts). Additionally, since every foundation examined in this report is a nonprofit corporation with 501(c)(3) federal tax status, their Form 990 federal tax filings are public records under federal law.

Table 1 describes laws in the New England states that (1) exempt foundation records from public access and (2) protect the public's right to access certain foundation records.

Table 1: State Laws Concerning Public Access to Foundation Records

<i>Foundation</i>	<i>Public Access Exemptions Under State Law</i>	<i>Public Access Under State Law</i>
UConn Foundation	The foundation is not deemed to be a state agency or public entity under the state's FOI act, and its books and records are explicitly exempted from public disclosure (CGS §§ 4-37e and 4-37f(9)).	
UMaine Foundation	State law, including Maine's Freedom of Access Act (FOAA), does not contain any explicit public records exemptions for the foundation (Me.Rev.Stat. tit. 1, § 400, et seq.).	State law contains no specific public access provision. However, according to the foundation's "Donor Confidentiality Disclosure," information about donor gifts that the foundation supplies to the university on a need-to-know basis would be available to the public under FOAA. Such information is provided to enable the donor to receive class or giving society recognition and, if applicable, to notify the specific program being supported. (However, a donor may ask for complete anonymity prior to or at the time of making a gift.)
UMass Amherst Foundation	State law explicitly protects donor anonymity in all foundation audit reports, but provides no other exemptions for foundation records (Mass. Gen. Laws ch. 15A, § 37(f)).	State law provides that a foundation's annual report of financial accounts is considered a public record when received by the board of trustees of the institution it supports (Mass. Gen. Laws ch. 15A, § 37(f)).
UNH Foundation	State law, including New Hampshire's Right to Know Law, does not contain any explicit public records exemptions for the foundation (NH Rev. Stat. § 91-A:1, et seq.).	

Table 1 (continued)

<i>Foundation</i>	<i>Public Access Exemptions Under State Law</i>	<i>Public Access Under State Law</i>
URI Foundation	<p>State law, including Rhode Island's Access to Public Records Act (APRA), does not contain any explicit public records exemptions for the foundation (RI Gen. Laws § 38-2-1, et seq.).</p> <p>However, APRA explicitly exempts from public access any records which disclose a donor's identity when the donor has requested anonymity regarding its contribution to a public body (RI Gen. Laws § 38-2-2).</p>	
UVM Foundation	<p>State law, including Vermont's Public Records Act, does not contain any explicit public records exemptions for the foundation (VT Stat. tit. 1, § 315, et seq.).</p>	

FUNDRAISING DUTIES

Most New England flagship university foundations serve as their related institution's primary fundraising arm, soliciting new gifts for the university and overseeing its endowment. (The UMaine Foundation is unique, however, in its exclusive focus on managing endowed gifts.) The UConn Foundation has the highest average gift commitment over the past five fiscal years when compared with the other foundations. (Not all foundations have five-year data available.)

Table 2 describes the fundraising efforts of each foundation in recent fiscal years. Fundraising totals are from the foundations' annual reports and official websites.

Table 2: Foundation Fundraising Efforts and Totals

Foundation	Fundraising Efforts	Fundraising Totals
UConn Foundation http://www.foundation.uconn.edu/	The foundation is the main fundraising arm of the university, overseeing private gifts and grants from alumni and corporations and managing the university's endowment.	Over the past five years, the foundation has secured an average of \$53.6 million per year in new gifts and commitments. FY 13: \$63.3 million FY 12: \$60 million FY 11: \$50.6 million FY 10: \$45.5 million FY 09: \$48.5 million
UMaine Foundation http://www.umainefoundation.org/	<p>The foundation is not the primary fundraising arm for the university; that responsibility lies with the Office of University Development. This office takes the lead in fundraising, overseeing the foundation and the university's alumni association in their collaborative fundraising efforts.</p> <p>Under a Memorandum of Agreement with the university, the foundation invests endowment funds and has assumed primary responsibility for all deferred/planned giving to the university (e.g., gifts through wills, charitable gift annuities, charitable trusts, pooled life income plans, and gifts of life insurance). This allows the university's development office to focus on current gifts that are not endowed.</p>	Over the past five years, the foundation has secured an average of \$8 million per year in contributions. FY 13: \$7.8 million FY 12: \$12.4 million FY 11: \$6.6 million FY 10: \$5.4 million FY 09: \$7.7 million

Table 2 (continued)

Foundation	Fundraising Efforts	Fundraising Totals
UMass Amherst Foundation http://www.umass.edu/foundation/welcome	<p>The foundation is the primary fundraising arm of the university. According to the foundation's annual report, it manages all types of gifts (e.g., outright, matching, testamentary, and endowed).</p> <p>A second system-wide organization, the University of Massachusetts Foundation, Inc., serves all five campuses of the university (Amherst, Boston, Dartmouth, Lowell, and Worcester). It (1) oversees the campus foundation boards to ensure they follow system protocols on investments and best practices and (2) plays a role in corporate development affecting more than one campus.</p>	<p>Over the past two fiscal years, the foundation has secured an average of \$32 million per year in gifts.</p> <p>FY 13: \$32 million FY 12: \$32 million</p>
UNH Foundation http://www.foundation.unh.edu/	<p>The foundation is the primary fundraising vehicle for the university. University advancement staff from the alumni, development, and communications offices all work to raise money for the university using the foundation's status as a nonprofit corporation.</p>	<p>Over the past four years, the foundation has secured an average of \$11.9 million per year in contributions.</p> <p>FY 13: \$11.5 million FY 12: \$14.1 million FY 11: \$9.9 million FY 10: \$11.9 million</p>
URI Foundation http://www.urifoundation.org/	<p>Originally charged with managing the university's endowment, the foundation became responsible for all university fundraising activities in 2008.</p>	<p>The foundation's fundraising activities and endowment earnings payouts to the university typically results in \$15-\$18 million in charitable gifts to the university annually.</p>

Table 2 (continued)

<i>Foundation</i>	<i>Fundraising Efforts</i>	<i>Fundraising Totals</i>
UVM Foundation https://alumni.uvm.edu/foundation/	The foundation is the preferred channel for all private contributions to all areas of the university. It generates support through annual giving programs, planned gifts (wills, trusts, annuities, and other vehicles), and special-purpose campaigns.	The average annual gift commitments received by the foundation over the last three fiscal years is \$48.3 million. FY 14: \$55.2 million FY 13: \$44.5 million FY 12: \$45.1 million

Sources: Foundations' annual reports and official websites

TUITION INCREASES

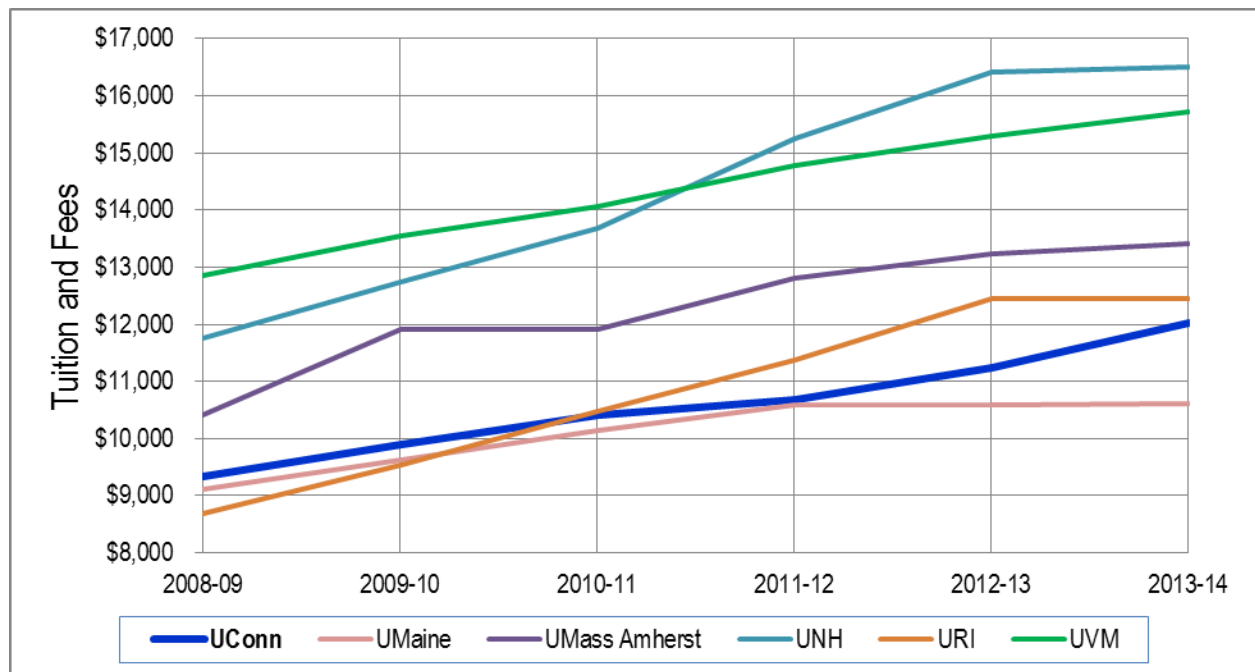
Table 3 lists in-state tuition rates and fees for each New England flagship university for academic years 2008-09 through 2013-14, along with their respective one-year (2012-13 to 2013-14) and five-year (2008-09 to 2013-14) percentage increases. Table 4 is a linear representation of the universities' tuition and fee increases through those years. The one-year increases ranged from zero (URI) to 6.9% (UConn), and the five-year increases ranged from 16.5% (UMaine) to 43.5% (URI).

**Table 3: In-State Tuition and Fees for Full-Time Undergraduate Students
at New England Flagship Universities**

<i>Institutions</i>	<i>2008-09</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>	<i>One-Year Percentage Change (2012-13 to 2013-14)</i>	<i>Five-Year Percentage Change (2008-09 to 2013-14)</i>
UConn	\$9,338	\$9,886	\$10,416	\$10,670	\$11,242	\$12,022	6.9%	28.7%
UMaine	\$9,100	\$9,626	\$10,142	\$10,588	\$10,594	\$10,600	0.1%	16.5%
UMass Amherst	\$10,417	\$11,917	\$11,917	\$12,797	\$13,230	\$13,415	1.4%	28.8%
UNH	\$11,756	\$12,743	\$13,672	\$15,250	\$16,422	\$16,496	0.5%	40.3%
URI	\$8,678	\$9,528	\$10,476	\$11,366	\$12,450	\$12,450	0.0%	43.5%
UVM	\$12,844	\$13,554	\$14,066	\$14,784	\$15,284	\$15,718	2.8%	22.4%

Source: College Board: *Trends in Higher Education: Tuition and Fees at Flagship Universities over Time*

**Table 4: In-State Tuition and Fees for Full-Time Undergraduate Students
at New England Flagship Universities**



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